



TENNESSEE REGULATORY AUTHORITY

460 James Robertson Parkway
Nashville, TN 37243-0505
615.741.2904

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FOR IMMEDIATE RELEASE

Contact: Phil West
615.741.2904 x 246
Phil.west@state.tn.us

Contact: Jessica Johnson
615.741.2904 x 233
Jessica.johnson@state.tn.us

TRA DIRECTORS HOLD DOWN TENNESSEE AMERICAN WATER RATE INCREASE

NASHVILLE, Tenn. – Tennessee Regulatory Authority directors today granted Tennessee American Water Company a \$4.02 million annual rate increase, far less than the \$6.34 million the company had sought for serving customers in Chattanooga and the surrounding area.

The new rates will become effective May 22.

“Consistent with the authority’s mission to promote the public interest by balancing the interests of utility customers and providers, my motion today asks the authority to reduce the proposed rate increase by 40 percent,” Director Pat Miller said in moving for the reduced rate increase.

TRA directors had held four days of hearings on the rate increase in April at the Hamilton County Courthouse in Chattanooga. Several customers voiced their feelings about a rate increase during those sessions.

“I want to thank Chairman (Sara) Kyle for convening the hearing in Chattanooga. I felt it very important that the hearing be held in the company’s service area. That minimizes the burden on consumers who wanted to appear in person and have their voices heard before the full panel,” Miller said.

In approving the lower rate increase, TRA directors also directed Tennessee American Water Company to immediately undergo a management audit.

The mission of the TRA is to promote the public interest by balancing the interests of utility consumers and providers. For more information on the TRA, visit online at www.state.tn.us/tra.

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